

Fill in this information to identify your case:

United States Bankruptcy Court for the:

EASTERN DISTRICT OF NEW YORK

Case number (if known)

Chapter 11

☐ Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name CIRCLE NYC INC.

2. All other names debtor used in the last 8 years

Include any assumed names, trade names and doing business as names

3. Debtor's federal Employer Identification Number (EIN) 26-1681404

4. Debtor's address Principal place of business

144-77 Roosevelt Avenue, Suite 7C
Flushing, NY 11354

Number, Street, City, State & ZIP Code

Queens
County

Mailing address, if different from principal place of business

P.O. Box, Number, Street, City, State & ZIP Code

Location of principal assets, if different from principal place of business

Number, Street, City, State & ZIP Code

5. Debtor's website (URL)

6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

☐ Partnership (excluding LLP)

☐ Other. Specify:

Debtor **CIRCLE NYC INC.**
Name

Case number (if known)

7. Describe debtor's business A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

B. Check all that apply

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.7224**8. Under which chapter of the Bankruptcy Code is the debtor filing?**

Check one:

- ☐ Chapter 7
- ☐ Chapter 9

☒ Chapter 11. Check all that apply:

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- ☒ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**

- ☒ No.
- ☐ Yes.

If more than 2 cases, attach a separate list.

District	_____	When	_____	Case number	_____
District	_____	When	_____	Case number	_____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- ☐ No
- ☒ Yes.

List all cases. If more than 1, attach a separate list

Debtor	Sweetcatch 3 LLC		Relationship	Affiliate
District	EDNY	When	9/27/18	Case number, if known 18-45535 (ESS)

Debtor **CIRCLE NYC INC.**
Name

Case number (if known)

11. Why is the case filed in this district?

Check all that apply:

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?☒ No☐ Yes.

Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard?

☐ It needs to be physically secured or protected from the weather.☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).☐ Other**Where is the property?**

Number, Street, City, State & ZIP Code

Is the property insured?☐ No☐ Yes. Insurance agency

Contact name

Phone

Statistical and administrative information**13. Debtor's estimation of available funds**

Check one:

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors☒ 1-49☐ 50-99☐ 100-199☐ 200-999☐ 1,000-5,000☐ 5001-10,000☐ 10,001-25,000☐ 25,001-50,000☐ 50,001-100,000☐ More than 100,000**15. Estimated Assets**☒ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☐ \$1,000,001 - \$10 million☐ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion**16. Estimated liabilities**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☒ \$100,001 - \$500,000☐ \$500,001 - \$1 million☐ \$1,000,001 - \$10 million☐ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion

Debtor CIRCLE NYC INC.
Name

Case number (if known) _____

Request for Relief, Declaration, and Signatures**WARNING** – Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 15, 2019
MM / DD / YYYY

X

Signature of authorized representative of debtor

Title PresidentRobert Kwak

Printed name

18. Signature of attorney

X

Signature of attorney for debtor

Date March 15, 2019

MM / DD / YYYY

Lawrence F. Morrison

Printed name

Morrison Tenenbaum, PLLC

Firm name

87 Walker Street, Second FloorNew York, NY 10013

Number, Street, City, State & ZIP Code

Contact phone 212-620-0938Email address info@m-t-law.com2889590 NY

Bar number and State

Fill in this information to identify the case

Debtor name CIRCLE NYC INC.United States Bankruptcy Court for the: EASTERN DISTRICT OF NEW YORK

Case number (if known) _____

☐ Check if this is an amended filing

Official Form 202

Declaration Under Penalty of Perjury for Non-Individual Debtors

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING – Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☐ Schedule A/B: Assets—Real and Personal Property (Official Form 206A/B)
- ☐ Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D)
- ☐ Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)
- ☐ Schedule G: Executory Contracts and Unexpired Leases (Official Form 206G)
- ☐ Schedule H: Codebtors (Official Form 206H)
- ☐ Summary of Assets and Liabilities for Non-Individuals (Official Form 206Sum)
- ☐ Amended Schedule
- ☒ Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders (Official Form 204)
- ☐ Other document that requires a declaration _____

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 15, 2019

X

Signature of individual signing on behalf of debtor

Robert Kwak

Printed name

President

Position or relationship to debtor

Fill in this information to identify the case:

Debtor name **CIRCLE NYC INC.**United States Bankruptcy Court for the: **EASTERN DISTRICT OF NEW YORK**

Case number (if known): _____

☐ Check if this is an
amended filing**Official Form 204****Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders**

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Autotap Corp. PO Box 66 Point Lookout, NY 11569			Unliquidated			\$1,878.85
Breakaway Courier Systems 444 West 36th Street New York, NY 10018			Unliquidated			\$48.60
Broadway Party Rentals 400 Broadway New York, NY 10013			Unliquidated			\$4,872.76
Carr Business Systems PO Box 28330 New York, NY 10087			Unliquidated			\$31.04
CIT 21146 Network Place Chicago, IL 60673			Unliquidated			\$46.96
Do yeon Kim 3825 56th Street Woodside, NY 11377			Unliquidated			\$4,824.69
Excel Entertainment 730-16 Milford Road East Stroudsburg, PA 18301			Unliquidated			\$3,906.43
Far East Beer Center, Inc 50-19 97th Place Corona, NY 11368			Unliquidated			\$1,092.60
FedEx PO Box 371461 Pittsburgh, PA 15250			Unliquidated			\$27.69

Debtor **CIRCLE NYC INC.**
Name

Case number (if known)

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Internal Revenue Service Central Insolvency Unit PO Box 7346 Philadelphia, PA 19101						Unknown
Karaoke Champ 55 W 21st Street, 3rd New York, NY 10010			Unliquidated			\$2,200.00
NYS Dept. of Tax and Fin. Bankruptcy Section PO Box 5300 Albany, NY 12205						Unknown
Toi & Moi Events 26 Ave At Port Imperial #313 West New York, NJ 07093			Unliquidated			\$93,769.16
Uline PO Box 88741 Chicago, IL 60680			Unliquidated			\$121.99

**United States Bankruptcy Court
Eastern District of New York**

In re CIRCLE NYC INC.

Debtor(s)

Case No.

Chapter

11

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with rule 1007(a)(3) for filing in this Chapter 11 Case

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Joseph Ko		36.2%	
Robert Kwak		36.3%	
Scott Alling		27.5%	

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the **President** of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date March 15, 2019

Signature

Robert Kwak

*Penalty for making a false statement of concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.*

**United States Bankruptcy Court
Eastern District of New York**

In re **CIRCLE NYC INC.**

Debtor(s)

Case No.

Chapter

11

VERIFICATION OF CREDITOR MATRIX

The above named debtor(s) or attorney for the debtor(s) hereby verify that the attached matrix (list of creditors) is true and correct to the best of their knowledge.

Date: **March 16, 2019**



Robert Kwak/President
Signer/Title

Autotap Corp.
PO Box 66
Point Lookout, NY 11569

Breakaway Courier Systems
444 West 36th Street
New York, NY 10018

Broadway Party Rentals
400 Broadway
New York, NY 10013

Carr Business Systems
PO Box 28330
New York, NY 10087

CIT
21146 Network Place
Chicago, IL 60673

Do yeon Kim
3825 56th Street
Woodside, NY 11377

Excel Entertainment
730-16 Milford Road
East Stroudsburg, PA 18301

Far East Beer Center, Inc
50-19 97th Place
Corona, NY 11368

FedEx
PO Box 371461
Pittsburgh, PA 15250

Internal Revenue Service
Central Insolvency Unit
PO Box 7346
Philadelphia, PA 19101

Karaoke Champ
55 W 21st Street, 3rd
New York, NY 10010

NYS Dept. of Tax and Fin.
Bankruptcy Section
PO Box 5300
Albany, NY 12205

Toi & Moi Events
26 Ave At Port Imperial
#313
West New York, NJ 07093

Uline
PO Box 88741
Chicago, IL 60680

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

CIRCLE NYC INC.,

Case No. 19-_____ ()

Debtor.
-----X

CORPORATE RESOLUTION

At the meeting of the Board of Directors of Circle NYC Inc. ("Circle") a New York corporation, it was determined to be in the best interests of Circle to file for bankruptcy under Chapter 11 of the United States Bankruptcy Code and the following resolution was adopted:

Whereas, it is in the best interest of this corporation to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

Be It Therefore Resolved, that Robert Kwak, President of this company, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a chapter 11 voluntary bankruptcy case on behalf of the corporation; and

Be It Further Resolved, that Robert Kwak, President of this company, is authorized and directed to appear in all bankruptcy proceedings on behalf of the company, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the company in connection with such bankruptcy case; and

Be It Further Resolved, that Robert Kwak, President of this company, is authorized and directed to employ Lawrence F. Morrison, attorney and the law firm of Morrison Tenenbaum, PLLC to represent the corporation in such bankruptcy case

Dated: New York, New York
March 15, 2019



Robert Kwak, President

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X

In re:

Chapter 11

CIRCLE NYC INC.,

Case No. 19-_____()

Debtor.

-----X

DECLARATION PURSUANT TO E.D.N.Y. LOCAL BANKRUPTCY RULE 1007

I, Robert Kwak, duly sworn, depose and say under penalty of perjury and the laws of the United States of America pursuant to 28 U.S.C. § 1746:

1. I am the President of Circle NYC Inc., (the “Debtor”), and as such I am familiar with the operations, business and financial affairs of the Debtor. I submit this Affidavit in accordance with the E.D.N.Y. Local Bankruptcy Rules in support of the voluntary petition filed by the Debtor under Chapter 11 of title 11 of the United States Code (“Bankruptcy Code”).

2. There is no pending bankruptcy case against the Debtor and this petition is filed as a voluntary Chapter 11 proceeding.

3. The Debtor operates a night club located at 135 W41st Street, New York, NY 10036 and its books and records are located at 144-77 Roosevelt Avenue, Suite 7C, Flushing, NY 11354.

4. The Debtor is filing a voluntary petition under Chapter 11 of the Bankruptcy Code due to a labor lawsuit pending in the District Court for the Southern District of New York.

5. The Debtor is owned by Joseph Ko, Robert Kwak and Scott Alling.

6. A list of the Debtor’s top twenty (20) largest unsecured creditors is annexed hereto as Exhibit “A”.

7. Currently, the estimated average monthly revenue is about \$500,000.00 per month. The Debtor has 40 employees, and the estimated average monthly payroll is approximately \$150,000.00, including payroll taxes. The other expenses are as follows:

- a. Officer compensation: \$33,000.00 per month
- b. Estimated Cost of Goods Sold: about \$70,000.00 a month
- c. Estimated Operating expenses, incl. rent: about \$270,000.00 a month.

8. All required schedules, if not filed with the voluntary petition on the date of filing, will be filed within fourteen (14) days of the date filing the Debtor's voluntary petition, which will provide a list of the Debtor's assets, secured creditors and other information required.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 15, 2019.


Robert Kwak, President